



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**

REGION 6  
1445 ROSS AVENUE, SUITE 1200  
DALLAS, TX 75202-2733

9103080



September 29, 2008

NOTICE OF DEMAND FOR PAST COSTS  
URGENT LEGAL MATTER - PROMPT REPLY NECESSARY  
Via Certified Mail 7008 0150 0003 4922 6258

Mr. Ronald W. Hudson  
34 Green Slope Place  
The Woodlands, TX 77381

RE: Demand for Reimbursement of Costs Expended at the Gulfco Marine Maintenance  
Superfund Site, Freeport, Brazoria County, Texas  
SSID No. 06JZ, EPA ID No. TXD055144539

Dear Mr. Hudson:

The United States Environmental Protection Agency (EPA) previously contacted potentially responsible parties (PRPs) regarding activities at the Gulfco Marine Maintenance Site (Site) located in Freeport, Brazoria County, Texas. In letters of July 14 and July 22, 2004, EPA notified you and other PRPs that you may be liable for costs expended by EPA for response actions under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), commonly known as the federal Superfund law.

At that time, EPA also offered you and other PRPs the opportunity to take voluntary action necessary to abate any releases or threats of release of hazardous substances from the Site or to reimburse EPA for response actions taken. Because you declined to undertake the necessary actions, EPA issued you an Administrative Order (Order) to perform the Remedial Investigation/Feasibility Study, which was effective on July 29, 2005. On December 27, 2007, the Order was amended to add Parker Drilling Offshore Corporation (Parker) to the Order, with an effective date of January 31, 2008.

The EPA's July 2004 Notices included a Demand for Past Costs in the amount of \$162,707.07 to be reimbursed to the Superfund. This letter is to update the cost recovery demand amount to \$874,779.88.

**Explanation of Potential Liability**

Under Section 107(a) of CERCLA, PRPs may be held liable for all costs incurred by EPA (including interest) in responding to any release or threatened release of hazardous substances at the Site, unless the PRP can show any of the statutory defenses. PRPs include current and former owners and operators of the Site, as well as persons who arranged for treatment and/or disposal

of any hazardous substances found at the Site, and persons who accepted hazardous substances for transport and selected the site to which the hazardous substances were delivered.

Based on information collected and sent to you as enclosures to the July 2004 Notices, EPA believes that you may be liable under Section 107(a) of CERCLA with respect to the subject Site, as a current or previous owner and/or operator of the Site, or as a "generator," or arranger at the Site.

To date, EPA has taken certain response actions under CERCLA authority, including:

- Site Assessment and Expanded Site Inspection (ESI)
- Site Screening Inspection (SSI)
- Development of a Hazardous Ranking System (HRS) package
- Issuance of Notices of Liability
- Issuance of a Unilateral Administrative Order (UAO)
- Oversight of the remedial investigation to determine the nature and extent of contamination at the site
- Collection of investigation sample splits

#### **Demand for Reimbursement of Costs**

In accordance with Section 104 of CERCLA, EPA has taken certain response actions and incurred certain costs in response to conditions at the Site. The EPA is seeking to recover from you and other PRPs its response costs and all the interest authorized to be recovered under Section 107(a) of CERCLA. The approximate total response cost, identified through July 31, 2008, is \$874,779.88. Under Section 107(a) of CERCLA, EPA hereby makes a demand for payment from you and other PRPs for \$874,779.88, plus all interest authorized to be recovered under Section 107(a) of CERCLA. A summary of these costs is enclosed with this letter as "Itemized Cost Summary."

While this letter demands that you reimburse EPA for all funds spent or to be spent at the Site, EPA is aware that the financial ability of some PRPs to contribute toward the payment of response costs at a site may be substantially limited. If you believe, and can document, that you fall within this category, please submit financial records to substantiate your claim.

Some or all of the costs associated with this notice may be covered by current or past insurance policies issued to you. Most insurance policies will require that you timely notify your carrier(s) of a claim against you. To evaluate whether you should notify your insurance carrier(s) of this demand, you may wish to review current and past policies, beginning with the date of your first contact with the Site, up to the present. Coverage depends on many factors, such as the language of the particular policy and state law.

#### **Your Response to EPA**

Please make your payment for \$874,779.88 by certified or cashiers check payable to "EPA Hazardous Substance Superfund," and referencing the Gulfco Marine Maintenance Superfund Site, Site Spill ID Number 06JZ. Send the check, with your name and address, to:

U.S. Environmental Protection Agency  
Superfund Payments  
Gulfco Marine Maintenance Superfund Site SSID 06JZ  
Cincinnati Finance Center  
PO Box 979076  
St. Louis, MO 63197-9000

A copy of your check and transmittal letter should be sent simultaneously to EPA addressed to:

Ms. Lydia Johnson, Section Chief  
Enforcement Assessment Section, 6SF-TE  
Superfund Division  
U.S. EPA Region 6  
1445 Ross Avenue  
Dallas, TX 75202

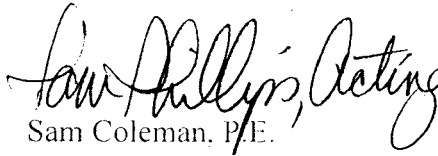
Your adherence to these procedures will ensure proper credit when payment is received.

If a response from you is not received *within fifteen (15) business days*, EPA will assume that you have declined to reimburse the Superfund for the Site expenditures, and pursuant to CERCLA, EPA may take other enforcement action.

Also, please note that, because EPA has a potential claim against you, you must include EPA as a creditor if you file for bankruptcy. The EPA reserves the right to file a proof of claim or an application for reimbursement of administrative expenses.

The EPA appreciates your giving this matter your immediate attention. If you have any questions regarding this letter, please contact Ms. Barbara Aldridge, Enforcement Officer, at (214) 665-2712. Legal questions may be directed to Ms. Barbara Nann, Assistant Regional Counsel, at (214) 665-2157. Technical questions regarding response actions may be directed to the Remedial Project Manager, Mr. Gary Miller, at (214) 665-8318. Thank you for your prompt attention.

Sincerely yours,

  
Sam Coleman, P.E.  
Director  
Superfund Division

Enclosures

Addressee List - Updated Demand for Past Costs  
Gulfco Marine Maintenance Superfund Site

For Dow Chemical Company:

Mr. James C. Morriss III  
Thompson & Knight LLP  
1900 San Jacinto Center  
98 San Jacinto Blvd.  
Austin, TX 78701-4081

For LDL Coastal Limited:

Mr. Alan Daniels  
Attorney & Counselor at Law  
1177 West Loop South, Suite 1725  
Houston, TX 77027

For Sequa/Chromalloy Corporation:

Mr. F. William Mahey  
Strasberger Attorneys at Law  
1401 McKinney Street, Suite 2200  
Houston, TX 77010-4035

For Parker Drilling:

Mr. John R. Eldridge  
Haynes and Boone, LLP  
1 Houston Center  
1221 McKinney, Suite 2100  
Houston, TX 77010

Mr. Ron Potter, Vice President and General Counsel  
Parker Drilling Offshore Corporation  
1401 Enclave Parkway, Suite 600  
Houston, TX 77077

As Individuals:

Mr. Ronald W. Hudson  
34 Green Slope Place  
The Woodlands, TX 77381

Mr. Jack Palmer  
1509 Alta Vista  
Alvin, TX 77511

## IFMS Reconciliation Pending

## Itemized Cost Summary

GULFCO, FREEPORT, TX SITE ID = 06 JZ

UNRECONCILED COST FROM 10/01/1980 THOROUGH 07/31/2008  
DEMAND FOR PAST COSTS

REGIONAL PAYROLL COSTS .....	\$285,320.08
HEADQUARTERS PAYROLL COSTS .....	\$4,380.10
REGIONAL TRAVEL COSTS .....	\$13,820.50
ENFORCEMENT SUPPORT SERVICES (ESS)	
TECHLAW, INC. (68-W0-0083) .....	\$2,593.96
SCIENCE APPLICATIONS INTERNATIONAL CORPORATION (68-W0-0091) ..	\$1,716.96
GRB ENVIRONMENTAL SERVICES, INC. (EPW05013) .....	\$9,803.90
ENVIRONMENTAL SERVICES ASSISTANCE TEAMS (ESAT)	
LOCKHEED MARTIN SERVICES, INC. (68-D6-0005) .....	\$9,135.53
INTERAGENCY AGREEMENT (IAG)	
DEPARTMENT OF INTERIOR (DW14922566) .....	\$2,015.46
DEPARTMENT OF JUSTICE (DW15893101) .....	\$2,464.67
RESPONSE ACTION CONTRACT SERVICES (RAC2)	
CH2M HILL, INC. (EPW06021) .....	\$3,239.60
RESPONSE ACTION CONTRACT SERVICES (RACS)	
CH2M HILL, INC. (68-W6-0036) .....	\$32,911.43
EA ENGINEERING, SCIENCE, AND TECHNOLOGY, INC. (EPW06004) .....	\$149,392.99
SUPERFUND COOPERATIVE AGREEMENT (SCA)	
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (98616401) .....	\$21,531.00
TECHNICAL SERVICES & SUPPORT	
MARASCO NEWTON GROUP, LTD. (68-W9-8105) .....	\$25,252.93
CONTRACT LAB PROGRAM (CLP) COSTS	
FINANCIAL COST SUMMARY .....	\$20,906.31

## IFMS Reconciliation Pending

## Itemized Cost Summary

GULFCO, FREEPORT, TX SITE ID = 06 JZ

UNRECONCILED COST FROM 10/01/1980 THOROUGH 07/31/2008  
DEMAND FOR PAST COSTS

MISCELLANEOUS COSTS (MIS) .....	\$25.48
EPA INDIRECT COSTS .....	\$290,268.98
Total Site Costs:	<u>\$874,779.88</u>